in three equal annual instalments thereafter with usual interest.

(ii) Conversion of outstanding plan loan of Rs. 904.18 crores as on 31.3.1992 into non-cumulative 10 per cent preference shares redeemable in the year 2003-04.

(iii) Waiver of overdue interest (non-plan loans) of Rs. 891.75 crores and penal interest accruing since 1.4.1995.

(iv) Allowing Western Coalfields Limited, a CIL subsidiary, to charge grade prices of coal notified for Singareni Collieries Company Limited.

(v) Deregulation of prices and distribution of coking coal and A,B and C grades of non-coking coal.

In February, 1997, the Government have also decided to deregulate the prices and distribution of D grade of non-coking coal and hard coke and soft coke.

The cumulative effect of the above measures will strengthen the financial base of CIL and consequently the financial health of loss making subsidiaries of CIL will improve. Moreover, CIL has a proposal to reduce equity of some of its healthier subsidiaries by conversion of equity into debt in such subsidiaries with simultaneous reverse conversion of debt to equity in the weaker subsidiaries. As per information received from CIL the amount intended to be used as fresh equity in weaker subsidiaries is as follows

ECL	Rs. 923.60 crores
BCCL	Rs. 979.50 crores

As a result of deregulation of coking coal and A,B and C grade of non-coking coal ECL, and BCCL have earned additional income of Rs. 360 crores and Rs. 400 crores respectively.

Industrial Growth

3249. SHRI SANAT MEHTA:

SHRI PAWAN DIWAN:

Will the Minister of INDUSTRY be pleased to state:

(a) the details of industrial growth in the country during the last three years and the current year so far;

(b) the contribution of the Indian companies as well as companies with foreign collaboration in industrial production separately; and

(c) the areas in which Indian companies have registered maximum growth rate after the liberalisation ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) As per the Index of Industrial Production, broad sectoral growth rate have been as under:

Sectoral Growth Rate in per cent

	1993-94	1994-95	1995-96	1996-97*
Manufacturing	6.1	9.8	13.0	11.0
Mining	3.5	7.5	7.1	2.5
Electricity	7.5	8.5	8.2	3.7
Overall	6.0	9.4	11.6	9.1

*April-November

Data on separate contribution of the Indian and Foreign Companies in the industrial production is not maintained.

[Translation]

World Bank Loan

3250. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have given permission to the Government of Maharashtra to seek assistance from the World Bank for improving the financial position of the State;

(b) if so, the details of the assistance sought by the Government of Maharashtra; and

(c) the assistance provided or proposed to be provided by the World Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) GOI have not received any proposal from Government of Maharashtra to seek assistance from the World Bank for improving the financial position of the State.

(b) and (c) : Does not arise.

[English]

Charges Against The Promoters of Indus Bank and Times Bank

3251. SHRI GEORGE FERNANDES: Will the Minister of FINANCE be pleased to state:

*(a) whether the Government are aware that there are grave charges of financial and criminal malfeasance against the promoters of the Indus Bank and the Times Bank;

(b) whether these facts are overlooked while granting prmission to these promoters to set up these two banks;

(c) if so, the reasons therefor;

(d) whether applications from other private parties being rejected or kept in hold because of similar charges against them; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Reserve Bank of India (RBI), who are the licensing authority for private banks have reported that they have not come across any charges of financial and criminal misfeasance by the promoters of the Industrial Bank Ltd. and Times Bank Ltd.

(b) RBI has informed that one of the criteria for deciding whether a licence can be given to a promoter group to open a bank is that they are not defaulters to any bank/financial institution in respect of their existing obligations. In pursuance of this policy queries are made by RBI with the defaulters of the promoter as well as other departments of RBI and only when it is observed that they can be considered as fit and proper management group a licence is issued to them. No licence has been issued for setting up a new bank in the private sector to defaulters figuring in the list of defaulted borrowers of banks and financial institutions having a default of Rs. 1 crore and above. Prior to the introduction of this scheme, the antecedents and track records of the promoters of new bank were verified by the RBI before giving a licence to set up a new bank.

(c) to (e) Do not arise.

"Indo-Russian Treaty"

3252. SHRI SHANTILAL PARSOTAMDAS PATEL :
SHRI BHAKTA CHARAN DAS :

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to news-item "Indo-Russian treaty soon to check exim frauds" appearing in New Delhi edition of Indian Express on 10th February, 1997;

(b) if so, the details of the treaty to be signed between the two countries; and

(c) to what extent the agreement is likely to curb the exploitation of Export Scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) A bilateral agreement on Cooperation and Mutual Assistance in Customs Matters has been negotiated between India and Russia and is under consideration for being signed shortly. The Agreement, inter alia, provides for:

(i) assistance in the prevention, investigation and prosecution of Customs offences;

(ii) sharing information for administering and enforcing the Customs law;

(iii) undertaking measures in order to facilitate and expedite movement of goods and passengers;

(iv) Co-operation in the research, development and testing of new Customs procedures, in the training and exchange of personnel and in other matters that may require joint efforts; and

(v) striving for harmony and uniformity in Customs systems and in improving Customs techniques.

All assistance extended under this Agreement shall be consistent with the domestic laws of the contracting parties.

(c) It is expected that the Agreement will help in receiving information and other assistance useful in investigating and obtaining evidence about cases involving misuse of export schemes.

Stock Norm for Natural Rubber

3253. SHRI ANANTH KUMAR:
SHRI A.C. JOS:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to reduce the stock norm for natural rubber from two months consumption to six weeks consumption;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government also propose to export the natural rubber during the current year;

(d) if so, the details thereof; and

(e) the incentives provided by the Government to the exporters of natural rubber ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

(b) Does not arise.

(c) and (d) There is no restriction on the export in any form or grade, of natural rubber.

(e) No exportable surplus of natural rubber is avilable in the country. Special incentives for export are, therefore, not proposed.

MFN Status to India By Neighbouring Countries.

3254. SHRI SATYAJITSINH DULIPSINH GAEKWAD:
SHRI MADHAVRAO SCINDIA:

Will the Minister of COMMERCE be pleased to state:

(a) whether India has established Most Favoured Nations status with China or any other neighbouring countries;

(b) if so, the details thereof, country-wise; and

(c) the stage at which negotations for establishing such status with other countries stand ?